

## Message Text

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ACTION EUR-25

INFO OCT-01 ISO-00 AID-20 CEA-02 CIAE-00 COME-00 EB-11

EA-11 FRB-02 INR-10 IO-14 NEA-11 NSAE-00 RSC-01

OPIC-12 SPC-03 TRSE-00 CIEP-02 LAB-06 SIL-01 OMB-01

JUSE-00 FTC-01 DRC-01 /135 W  
----- 113972

P R 091000Z FEB 74

FM AMEMBASSY STOCKHOLM

TO SECSTATE WASHDC PRIORITY 1399

INFO AMEMBASSY COPENHAGEN

AMEMBASSY HELSINKI

AMEMBASSY OSLO

USMISSION OECD PARIS

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E.O. 11652: N/A

TAGS: EFIN, OECD, SW

SUBJECT: OECD REVIEW OF INWARD FOREIGN DIRECT INVESTMENT  
RESTRICTIONS

REF: A. STOCKHOLM 232

B. STATE 020051

C. STOCKHOLM A-468, DEC. 21, 1973

D. STATE A-8316, OCT. 3, 1973

E. STOCKHOLM A-322, JULY 31, 1973

1. GENERAL INVESTMENT ATMOSPHERE IN SWEDEN  
RECENTLY DESCRIBED IN REF. A. OTHER REFERENCES CITED  
ABOVE GIVE USEFUL INFORMATION RELATING TO PARA. 5,  
REF. B.

2. DIFFICULTIES SWEDEN HAS CAUSED US INVESTORS:  
ONLY RECENT DIFFICULTY OF AMERICAN COMPANY TO COME  
TO ATTENTION OF EMBASSY HAS BEEN THAT OF DUN & BRAD-  
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STREET, WHICH WILL EVENTUALLY BE EXCLUDED FROM CREDIT

INFORMATION FIELD HERE AS CONSEQUENCE OF PASSAGE OF NEW LAW DECEMBER 14, 1973. LAW PROVIDES THAT EXISTING FOREIGN-OWNED COMPANIES WILL HAVE UNTIL JULY 1, 1977 TO TERMINATE OPERATIONS IN SWEDEN, OR TO REDUCE PARENT-COMPANY PARTICIPATION TO NO MORE THAN TWENTY PERCENT OF VOTING STOCK IN SWEDISH SUBSIDIARY. GOS DOES NOT CONSIDER LAW TO VIOLATE SWEDEN'S OECD OR GATT OBLIGATIONS. FULLER ACCOUNT OF PROBLEM AND OF EMBASSY'S REPRESENTATIONS IS FOUND IN REF C.

3. DIFFICULTIES US HAS CAUSED SWEDISH INVESTORS:

EMBASSY HAS NOT HEARD THAT SWEDISH FIRMS HAVE ENCOUNTERED ANY DIFFICULTIES IN INVESTING IN US AND WOULD NOT EXPECT SWEDISH EXPERT TO HAVE ANYTHING TO SAY ON THIS POINT. HOWEVER, US EXPERT SHOULD KNOW THAT US JUSTICE DEPARTMENT CONCERN ABOUT ANTITRUST ASPECTS OF PROPOSED ACQUISITION OF AB NORMA PROJEKILFABRIK LED REMINGTON ARMS TO WITHDRAW FROM DEAL. GOS MADE NO REPRESENTATIONS TO EMBASSY ON THIS MATTER BUT SWEDISH PRESS GAVE SOME ATTENTION TO ADVERSE EMPLOYMENT EFFECTS OF WITHDRAWAL, CLAIMING THAT NORMA, AS CONSEQUENCE, MUST FOREGO PLANS TO EMPLOY 300 ADDITIONAL WORKERS AND, IN FACT, REDUCE ITS EXISTING WORKFORCE FROM 360 TO 200 EMPLOYEES (REF D) WITHOUT INFUSION OF NEW STRENGTH FROM AFFILIATION WITH ANOTHER COMPANY.  
OLSEN

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM INDUSTRY, FOREIGN POLICY POSITION, FOREIGN INVESTMENTS, FOREIGN INVESTMENT CONTROLS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 FEB 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Source:** CORE  
**Document Unique ID:** 00  
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**Film Number:** n/a  
**From:** STOCKHOLM  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
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**TAGS:** EFIN, SW, US, OECD  
**To:** STATE  
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